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ABSTRACT

This paper addresses the need to sustain rural towns in Australia through private and public investments. Rural and remote areas of Australia have provided the national economy with crucial export earnings and provided governments with royalties and taxes collected on regional resources. However, government funding for upgrading infrastructures and services in rural areas have been inadequate. Population statistics and trends in two rural regions of Australia indicate that population growth continues in non-metropolitan areas, a fact that dispels the notion that country towns are dying. This report includes analyses of seven northern Australian towns, four of which have received significant government input and three that have received minimal government investment. These analyses illustrate that relatively small expenditures by the government can encourage economic growth through providing necessary infrastructures to attract private investment. Rural education in Australia is one of many services considered inferior to that in larger urban areas. However, rural dwellers expressed advantages of the rural life style, which outweigh the problems associated with living in rural areas. Long-term sustainable development in rural towns will best be achieved by diversification of their economic base through public and private investment. This report contains maps and tables providing descriptive information about the towns analyzed in the report. (LP)

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The viability of rural towns: A critical appraisal of the role of public and private sectors in sustainable rural town development.

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Introduction

Rural towns are now receiving increasing attention from government policy makers, academics and non government bodies alike. Ten years ago, rural town research was hard to find and rural town policies were unstructured and unco-ordinated. This is now changing with a new government commitment to regionalisation in a number of states, the previous efforts to provide incentives for decentralisation having only provided spasmodic success.

New regional policies are having a far reaching effect in rural and remote Australia. This is slowly forcing a more indepth understanding of the development needs of non metropolitan people. Although it is encouraging to see decentralisation away from the metropolitan centres, these policies can be criticised on three grounds. Firstly, key locations have been targetted to recentralise government activity, siphoning resources and people away from other towns within these regions. Secondly, the focus of work and attention has been on the regions in closer proximity to the metropolitan centres. Thirdly, the current focus is primarily economically oriented. The lesson that economic development cannot be undertaken in isolation from social development has apparently not been learnt.

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Further impetus to the rural focus has been provided by the current economic recession and 'rural crisis'. There is now an urgency for new policy and planning approaches to rural Australia. The importance of sustaining primary industry export earnings is clearly evident from our national balance of payments problem. The value of our rural sector is well known even if it has been taken for granted by the majority of urban dwellers. Less well appreciated, however, is the importance of sustaining a hierarchy of viable rural and remote towns.

This paper will focus on the need to nurture rural towns through both private and public investments. Private investment is necessary to provide a sound commercial sector and to diversify the economic bases of rural towns, possibly through secondary industry, tourism enterprises or cultural pursuits. Public investment is essential to maintain a reasonable standard of living for rural dwellers.

RC 018771

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People living in rural areas can justifiably argue for access to a comparable range of basic infrastructure and services to that found in larger urban areas. The rationale for this assertion is based on a two way cross subsidisation system. Rural and remote regions provide the national economy with crucial export earnings and governments accrue economic rent from regional resources, such as mining, pastoral and marine resources, in the form of royalties and taxes. In return, governments should continue to upgrade regional infrastructure and services to a standard which compares favourably with their metropolitan counterparts. Unfortunately for rural people, it has been a continual battle for them to obtain a fair share of this return. In fact, in more recent times, many have had to divert their energy to fight rationalisation and losses of existing town and country services. Meanwhile, regional resources continue to be exploited for the national benefit. The evidence suggests that perhaps it is now time for rural and remote inhabitants to channel their efforts, in a unified fashion, to argue for a share of the economic rent and value of the exploited resources to remain in their region for local distribution. Empowering a regional body to obtain the return and distribution of these resources would be one solution.

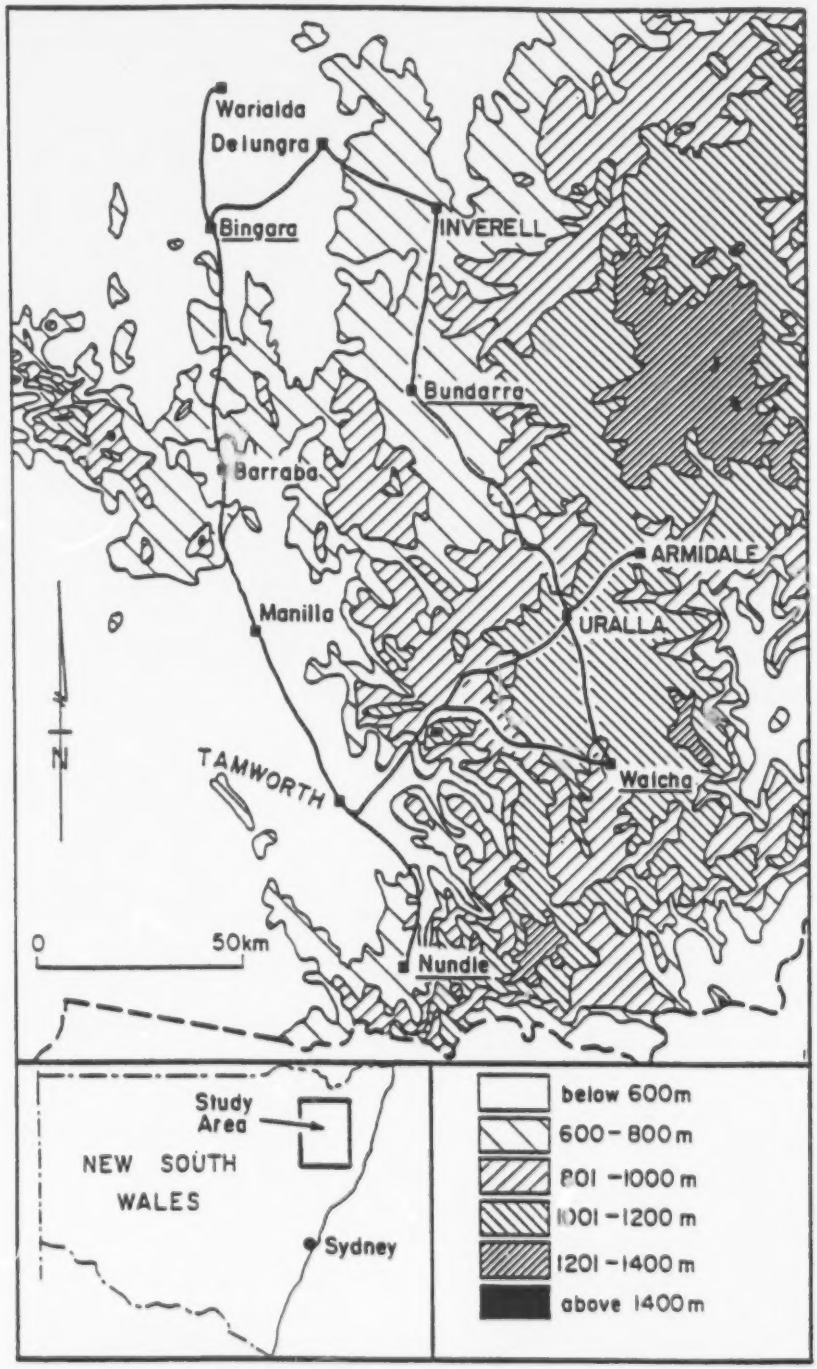
Both economic and social analysts of the rural sector agree that state governments are not looking after their rural and remote areas. Furthermore, politicians have misjudged the people. There is widespread concern about the current severe rural recession. The basic national ethic of giving all groups a 'fair go' is under question. On most statistical variables, whether they be poverty, income levels, employment, education, training or social support indices, rural inhabitants are found to be in a worse position than urban residents. Government funding has been inadequate, spasmodic and unevenly distributed. Consequently, an unstable pattern of rural and remote town development has occurred. This has retarded the rural town growth which was a noticeable feature during the 1970s, but has only continued spasmodically in selected areas in the 1980s.

Population changes in rural areas are still poorly understood. One reason can be attributed to an over-emphasis by the media and others on gloom and doom reports about dying country towns. This has hidden some of the very positive changes which have occurred in the majority of rural centres. Another reason is the incorrect useage of census data. The next section aims to clarify some of these apsects by analysing population statistics and changes which have occurred. However, it must be borne in mind that growth does not necessarily mean progress or good viability and vice versa. The author's research in the New England region of NSW and the more remote parts of northern Australia will form the basis for the following discussion.

Rural town growth

Non metropolitan growth has been a consistent trend for the last two decades. In a national study, Hugo and Smailes (1985) showed that between 1971 and 1981 there were important increases in the two smallest sized settlements. In addition, many of the most rapidly growing towns of 5000 or more were a considerable distance from metropolitan centres. Thus non metropolitan expansion extended into the inland as well as the coastal regions.

FIGURE 1: LOCATION OF FOUR RURAL SETTLEMENTS STUDIED IN THE NEW ENGLAND REGION



*Source: **An Atlas of New England**, Lea, D., Pigram, J. and Greenwood, L.(1977) p.6)*

A study of four rural communities in New England, NSW (Figure 1), in the early 1980s, showed rural towns were becoming more attractive places in which to live. Under the impetus of the Whitlam government policies in the 1970s, funding for rural towns increased considerably. Local government received its first guaranteed proportional share of grant income. These monetary benefits enabled local governments to improve community facilities. Local people began building and renovating homes, enhancing the appeal of country towns. These changes encouraged retirees to leave the city and settle in these towns, along with others wishing to escape the city 'rat race'. The latter group of people included professionals, tradespeople and some small entrepreneurs establishing light industry and more specialised business ventures. Contrary to reports of static and dying inland country towns, a survey revealed that one third of all respondents had arrived to settle in these communities over the previous ten years (Table 1).

TABLE 1: PERIOD OF RESIDENCE IN NEW ENGLAND COMMUNITIES
(cumulative percentage)

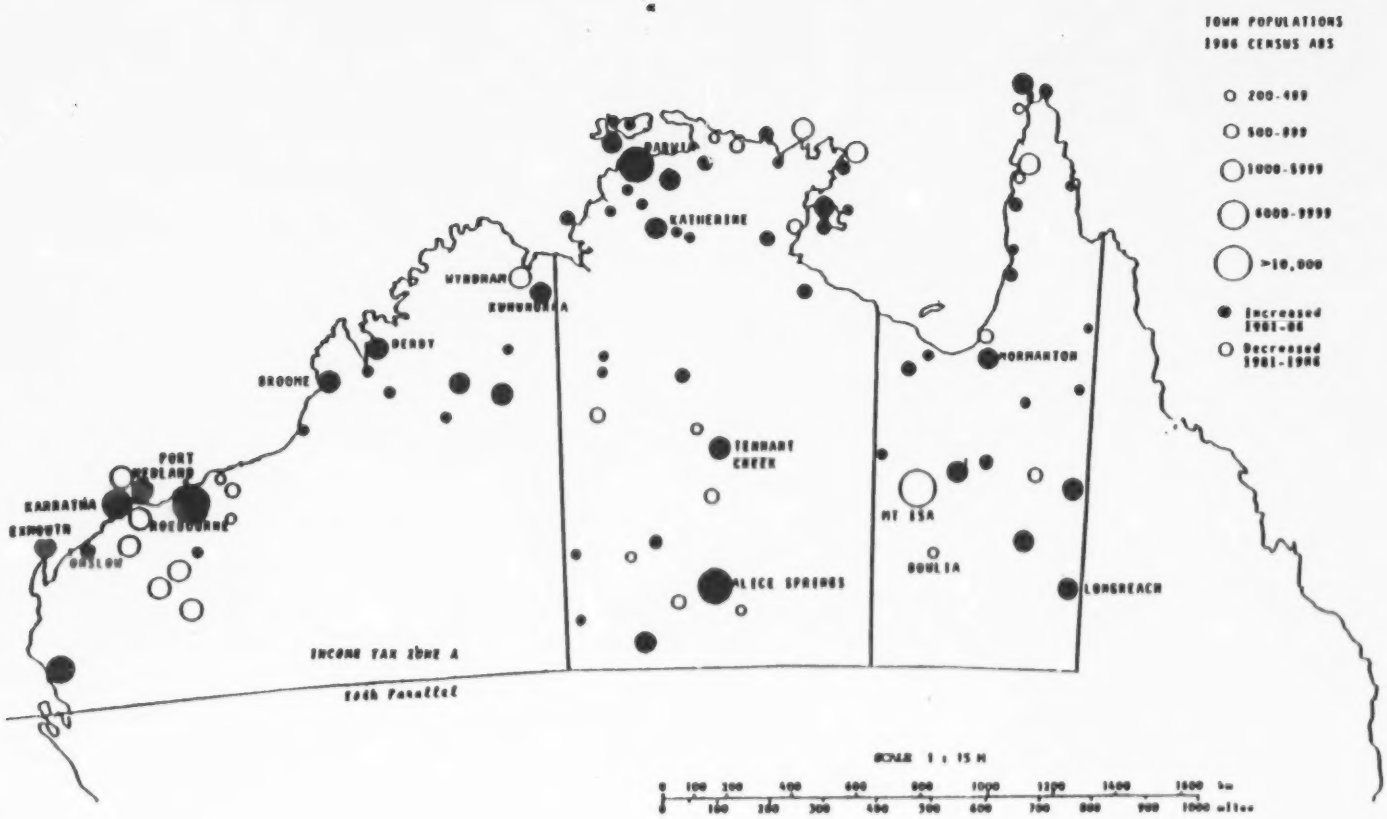
Community Area	Lived in community up to			
	5 yrs.	10 yrs.	20 yrs.	N
Walcha town	15	22	42	117
Walcha rural	19	37	50	123
Bingara town	16	22	28	95
Bingara rural	21	25	48	52
Bundarra town	38	54	54	43
Bundarra rural	62	66	83	29
Nundle town	23	38	46	136
Nundle rural	21	28	51	53
Average	22	33	46	

Source: Questionnaire survey 1981 (Hudson 1987:152)

The main economic opportunities drawing these new residents were the ability to purchase businesses, houses and rural properties at economical prices. Social advantages focused particularly on the rural life style, the peace and quiet, clean air, more personalised and friendly local attitudes, and the safer environment.

An analysis of the more remote areas in northern Australia shows that rural and remote town growth has been considerable (Figure 2). Of the 94 settlements (over 200 people) in income tax zone A, 66 expanded between 1981 and 1986. All but six of the 28 settlements which

FIGURE 2: SETTLEMENTS IN THE MORE REMOTE PARTS OF NORTHERN AUSTRALIA: GROWTH AND DECLINE 1981-1986



Source: Census of Population and Housing 1981 and 1986, ABS Catalogue Nos. 2405, 2407, 2403, 2465, 2468, 2464

declined were either mining towns or Aboriginal settlements (Hudson 1988, 43). These towns are considerably less stable than service centres. The major population increases were occurring in the Northern Territory and the north of Western Australia. Western Queensland has experienced consistent rural depopulation, although the major component of these losses were from the rural properties (Hudson 1991a).. More recently, western Queensland towns have recorded an overall increase of 8% (Taylor 1989).

Northern town growth has been stimulated by both immigration and natural population increases. Public and private investment has expanded in selected locations as tourism intensifies, transport links improve and development of the north proceeds. Various aspects of northern life styles have modernised with improved local amenities and services, increasing the attractiveness to settle in the north (Hudson 1990a). A growing appreciation of the beauty of northern environments continues to draw both new residents and tourists. The north is still viewed as a land of potential and fascination by the more adventurous who move to these more remote locations. The high immigration rate is reflected in a survey undertaken in six small northern Australian communities where a large proportion of the local residents had arrived in the previous five years (Table 2). Although transient government workers make up one component of these new arrivals, there is also a wide variety of other types of people moving north, such as small entrepreneurs, builders and tradespeople, and new rural property proprietors.

TABLE 2: LENGTH OF RESIDENCE IN LOCAL NORTHERN AUSTRALIAN COMMUNITIES, 1989 (%)

	Years Lived in Community				
	<5	5-14	15-29	30+	N
TOWN					
Broome	50	26	12	13	159
Exmouth	62	23	15	0	110
Wyndham	29	32	27	12	59
Longreach	40	30	12	19	91
Normanton	28	13	33	26	54
Boulia	43	20	20	17	54
RURAL					
Broome	38	36	19	8	48
Exmouth	39	36	18	6	33
Wyndham	81	16	0	3	31
Longreach*	21	21	28	31	39
Normanton	53	19	16	12	57
Boulia	54	17	10	20	41

N = total survey

* Longreach was surveyed in 1991.

Source: Hudson 1989, 1991 field work surveys.

Rural town growth is often hidden because analysts often use shire or even statistical division ABS census data. When shire and town figures are separated, it is invariably evident that the most consistent pattern of rural depopulation is from the rural hinterland, typically from pastoral properties. In contrast, Aboriginal population growth has been a significant feature in rural hinterland expansion due to the homeland or outstation movement, especially in the Northern Territory (Figure 3).

Another distinction which should be made is between the usual residents and the visitors. Generally, most people cite the enumerated census figure which includes all people at a particular location on census day. When analysing rural towns, it is often useful to establish usual resident and visitor population changes. For example, between 1981 and 1986, visitor numbers expanded considerably in northern WA towns but the usual resident growth was variable. In contrast in western Queensland, the major town losses were visitors (Table 3). With the construction of the Stockman's Hall of Fame in Longreach, the next census should show an increase in visitor numbers to western Queensland.

TABLE 3: USUAL PLACE OF RESIDENCE AND VISITOR COUNTS FOR SELECTED WESTERN AUSTRALIAN & QUEENSLAND TOWNS

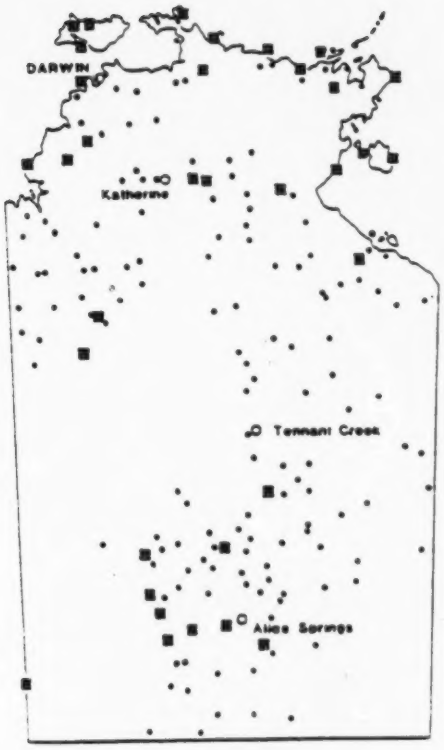
	Usual resident count		Visitor count		Enumerated count	
Town	**1986**	**% change**	**1986**	**% change**	**1986**	**% change**
WA:						
Broome	3950	61.4	1828	98.1	5778	57.6
Derby	2659	19.5	600	4.5	3258	11.0
Kununurra	2530	42.0	607	142.8	3137	50.7
Exmouth	1780	1.1	1733	128.9	3514	36.0
Wyndham	1109	-11.1	220	8.9	1329	-11.9
Queensland						
Mt Isa	21758	5.2	1590	-24.5	23348	-1.4
Longreach	2909	10.3	248	-13.6	3159	6.3
Winton	1055	3.5	222	-0.4	1281	1.7
Normanton	996	41.5	111	-45.6	1109	19.8
Boulia	247	4.2	42	-19.2	287	-1.7

Source: ABS 1986 census, small area data, urban centres/localities

More recently, some research has indicated a less positive picture about rural towns in the southern states (University of Sydney, Planning and Research Centre 1989), particularly in stressed rural areas like Ayres Peninsula in South Australia (Smailes 1989) or the wheat belt in Western Australia. Other work by the Rural Development Unit, University of New England, NSW, and Henshall and Hansen (Victoria) suggest that the major pattern is still one of non metropolitan expansion and small rural town growth. The most vulnerable towns are identified to be those with populations of less than 1,000.

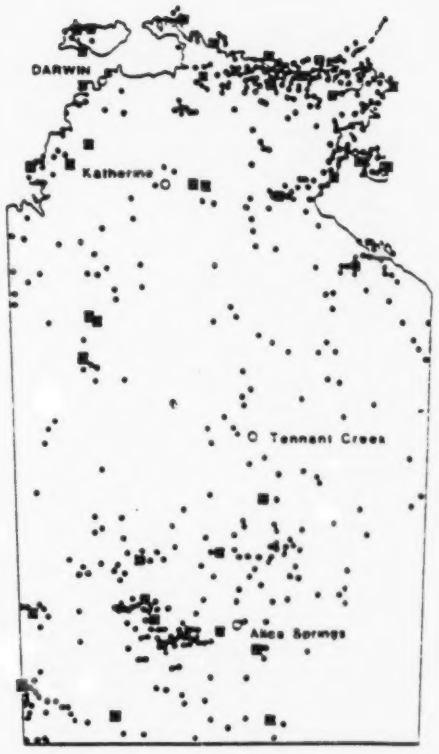
FIGURE 3: DISTRIBUTION OF ABORIGINAL PEOPLE

C. 1970



Source: Department of Aboriginal Affairs 1973

1989



■ Aboriginal Community

• Outstation or Pastoral Exclusion

Source: Department of Lands and Housing 1989

Reproduced from ***Aboriginal People in the Northern Territory****, Australian Bureau of Statistics, 1990, p.12.*

In summary, the evidence shows that non metropolitan growth, overall, is continuing. Whether this pattern is sustained throughout the 1990s, in a time of recession as well as a severe rural depression, will depend largely on policies and attitudes to rural and remote development. The towns which continue to maintain a government presence and diversify their economic activity by attracting private enterprise should be assured of a viable future.

Structural Adjustments arising from Diversified Economic Activity in Rural Towns

Single industry towns have long characterised rural and remote towns, whether they be agricultural service centres, mining towns, timber towns or fishing settlements. However, as communication, transport and technology has changed, so have patterns of localised economic activity.

Development has diversified in a number of settlements, particularly rural service centres. No longer is the country town surviving as a centre to serve the surrounding agricultural and pastoral hinterland population. Small towns are now functioning as retirement settlements, dormitory suburbs for provincial towns, tourist destinations, or locations for small scale manufacturing and light industry (Hudson 1986, Henshall & Hansell 1988). This has been termed the 'uncoupling' of rural service towns from their traditional roles (The Rural Development Unit, University of New England) . In addition, expansion of government functions in some rural and remote centres has added an additional administrative dimension to some key locations.

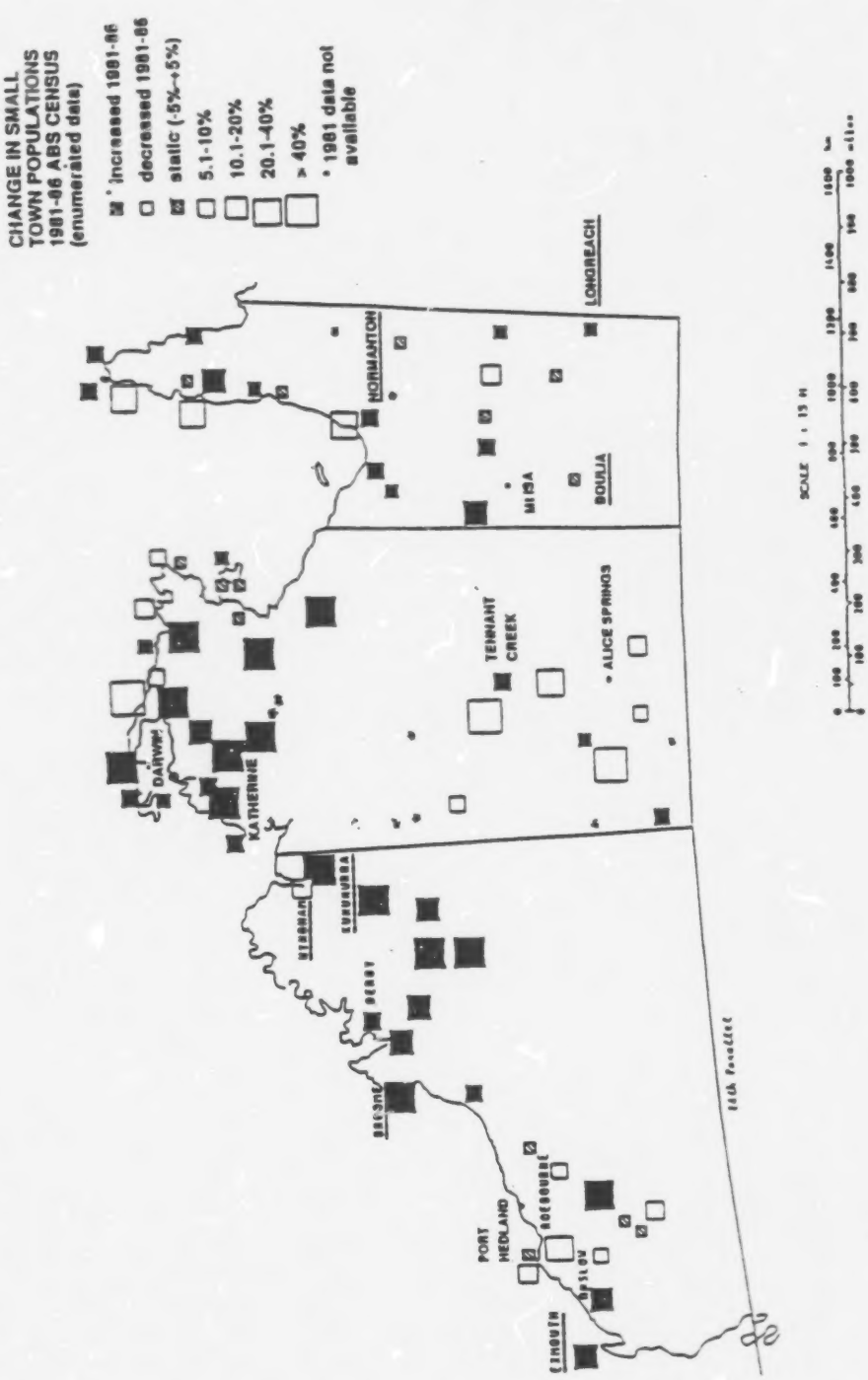
It will be argued here that small towns which have received sound government investment have invariably attracted private investment also, and vice versa, consolidating the viability of such towns. This will be briefly illustrated through an analysis of seven northern Australian towns (Figure 4), four of which have received significant government input and demonstrate the benefits from this investment, and three small towns which have received minimal government investment and have consequently been left behind in the development process, failing to attract private entrepreneurial activity.

Investment in four northern Australian towns

Three of the towns to be discussed are in northern Western Australia: Broome and Kununurra in the Kimberley and Exmouth on the North West Cape. The fourth town is Longreach, located in central Queensland. All towns have usual resident populations between 2,000 and 5,000.

Broome has been the boom town of the north during the 1980s, increasing its usual resident population from 2447 in 1981 to 3950 in 1986, a 61% growth rate, and continuing this expansion rate until 1990. The town is now dominated by white residents who, in 1981, were in the minority. Broome's function changed from being an old historic pearling town (1883) with a multicultural flavour to an upmarket tourist destination. Visitors increased by 98% in

FIGURE 4: SMALL SETTLEMENTS IN THE MORE REMOTE PARTS OF NORTHER AUSTRALIA: POPULATION CHANGES 1981-86 (TOWN POPULATIONS 200-6000)



Source: Hudson 1989, 44

the same intercensal period. Although pearling contributed $100m to the economy in 1990 and the industry employed 500 people, tourism had taken over the town. By 1989 there were five luxury tourist resorts; $78m of development expenditure occurred in this year. Business and residential expansion mushroomed along with the tourist developments.

Private investment has led both phases of development in Broome, the major difference being that the pearling industry, prior to the 1980s, was largely owned and operated by local Broome pearling proprietors. In contrast, the tourist developments are predominantly controlled by absentee owners, the major tourist investor being an overseas operator. This appears to have an effect on community relations (Hudson 1991b). The pearling days are described as a more harmonious time among the multicultural residents who gave this town its own unique flavour. Tourism, on the other hand, has had a short history of community conflicts and divisions where many local residents reacted strongly to being pushed aside by rising costs, accommodation shortages and tourist interests preceding community needs. A major complaint was a lack of local say in what was occurring; there were accusations of vested interest groups holding the power and making the community decisions. A random survey of the residential population in 1989 showed that the majority of respondents (57%) considered that the rate of change had been too rapid. Only 27% regarded the pace to be about right; these respondents were generally business or trades people (Hudson, survey of 159 residents in 1989). A classification of identified costs and benefits of tourism development in Broome is set out in Table 4.

TABLE 4: Costs and Benefits of Tourism Development in Broome

Costs	Benefits
• Marginalisation of the Aboriginal and coloured people	• Expansion of new services, and business
• Too much power in vested interests	• More infrastructure and community facilities
• Destruction of multicultural flavour of the town and original form of Shinju Matsuri	• More sealed roads and kerbing and guttering
• Increased racism	• Increased variety of restaurants/entertainment
• High accommodation costs/shortage	• Restoration of Broome architecture
• High local prices	• Better educational system
• Less friendly/more local conflicts	• Better health system
• Environmental impacts (e.g. dune destruction)	• Tidier town
• Loss of historical character of town and imposition of artificially created atmosphere	
• More crime/domestic violence	

Source: Hudson 1990b

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It is evident that Broome underwent too much change too quickly. The intensity of the growth placed considerable strain on government sectors servicing the needs of the rapidly expanding population. This meant that funds were diverted away from other towns to service Broome. In addition, some regionalising of departments in Broome occurred, compounding the stress in the town. Derby, a nearby town of nearly 3,000 people, had long been regarded as the regional centre of the west Kimberley. It would have made better sense to have kept as many regional functions as possible in Derby, spreading the growth, rather than encouraging Broome's boom. Such a policy would have stabilised Derby, now living in the shadow of Broome.

The most questionable WA government involvement was its joint venture in the Cable Beach Club resort. The WA government provided $25m as a joint investor with the overseas developer, as well as $25m in loans towards the project. Meanwhile, other Kimberley towns and other small entrepreneurs in a less advantageous position were unable to obtain government support. The effect of this policy will be discussed later in relation to Wyndham.

By 1990, the boom in Broome was over. Three main factors contributed to this occurrence: the pilot's strike in 1989, the collapse of WA Incorporated and the withdrawal of the overseas entrepreneur. Broome was overcapitalised and too heavily dependent upon the tourist industry. Four of the major tourist resorts were on the market and an alarming proportion of local businesses were reported to be in a bad financial situation. On the other hand, many local residents were relieved that the community now had a breathing space for proper planning and more localised control over the pace and type of development (Hudson 1991b).

Tourism when it evolves into a local megaindustry in a relatively short space of time, invades a small community. Research indicates that where tourism exceeds 30% of a town's economic base, there are not only negative impacts for the local community but the local economy is particularly vulnerable due to the fickle nature of tourism (Long, Perdue and Allen 1990). Evidence from towns like Longreach show that if tourism is introduced at a slower pace and does not dominate the local economy, then there are considerable benefits to be gained from this industry.

Kununurra has an almost opposite history. It is a new town (1959) built with public funds in conjunction with the $97m Ord River Irrigation Scheme (Dillon 1986:3). Government support services, such as the Department of Agriculture and the Water Authority, provided a substantial economic base to the town which helped it survive through the difficult period of cotton production failure on the Ord. By the 1980s, however, private enterprise began playing an important role. Tourism in the East Kimberley increased, stimulating the expansion of local accommodation and tour activities. The commencement of the Argyle Diamond Mine in 1981 gave Kununurra a further boost through the construction of 62 houses for its administrative and technical staff, as well as a donation of $5m to community facilities. The major beneficiary of the Argyle Mine, however, has been the WA state treasury which by 1991 had received $100m in royalty payments (Gosling 1991, pers.comm.). Had a subtantial proportion of this money been returned to the East Kimberley region, the viability of a range of remote settlements would be considerably sounder than the situation today. Furthermore, if the 800 employees were not flown from Perth under the existing fly-in fly-out scheme, but from Kimberley locations

instead, then a substantial return of income and assets would accrue to the resource rich region (see Pollard 1990 for social impacts of this policy).

It could be argued that the mine has effectively paid for the Ord Scheme, a scheme which has received so much negative analysis from economists who view northern development from a short term perspective. Many projects have difficult starts and as a nation we owe our thanks to those who perservere through the bad times. The scheme is now earning $35m from a range of food products which include bananas, melons, cashews, leucaena, hay and other pasture crops (McCosker 1991, pers. comm.). It has a potential for considerable expansion with a sugar industry proposed as the next major agricultural development. This scenario gives Kununurra a sound long term future. There are now a sizeable number of farmers and horticulturalists living in and near Kununurra, and their cash flow has assited to expand the retail and light industrial sectors. By 1990, the town had doubled its retailing space. The increase in the public sector had also played a significant role in this occurrence.

Government departments have further consolidated Kununurra's future by making it the East Kimberley regional centre. New office blocks were constructed by the Commonwealth and State governments and a range of additional personnel were located here to service the region. Thus Kununurra has had strong public as well as private sector investment. This stimulated further commercial activity and the town is now under developmental constraints from lack of tourist accommodation, lack of residential land and a lack of agricultural land to meet existing further horticultural demand. Kununurra's population expanded by 42% between 1981 and 1986 but this rate of growth did not continue into the latter part of the 1980s, largely, it could be suggested, due to the development constraints.

Longreach in central Queensland is another example of a northern Australian town which has benefitted from a diversity of private and public investments. The surrounding pastoral industry was the mainstay of Longreach from 1887 until the 1980s. The town's fortunes were largely tied to the cyclical swings of the rural primary sector determined by droughts, floods and market variations. Typical of almost all rural towns, during the rural downturns, rural town businesses were left to struggle through without the assistance of rural adjustment packages (Phibbs 1988, Taylor and Garlick 1988, University of Sydney 1989). These packages provided loans, funds and subsidies to the agricultural and pastoral industries. The needs and role of the country town in the rural regional economy are only just being adequately addressed. Similarly, farmers and graziers are beginning to realise that they also have to think in terms of the rural community, not just their own specific needs.

Longreach town is more fortunate than many rural towns, in that it is well supported by the surrounding rural dwellers. During the buoyant seasons, rural people are stated to be 'good local spenders'. The land in the Longreach district is regarded as sound pastoral country and all but two rural properties are family owned and operated. Evidence suggests that family properties are better local supporters than absentee run properties, an important factor when considering the viability of rural towns.

Government investment in Longreach during the 1980s gave the town an additional stability. Longreach already had an advantage not enjoyed by other small western Queensland towns

through the location of a Pastoral College on the outskirts of the town. This advantage was further entrenched with the opening of the School of Distance Education in 1987 and the Arid Zone Research Institute in 1988. Longreach became an educational centre. By 1991 there were 111 teachers in Longreach. Regional offices for health, education, land administration, and sport and recreation, for example, were opened in Longreach. This government input played a major role in the town's population increase of 10% between 1981 and 1986. It also gave the retailing sector a sound local custom from the reliable wages of government employees.

Two significant private initiatives have played a key role in the development of Longreach. The first was the construction of accommodation for the aged, a project which began with the completion of four aged units in 1963, the addition of a further seven duplexes, the opening of 'The Pioneers' Frail Aged Hostel' in 1976 and, finally, a Nursing Home was added in 1982. The project involved substantial voluntary efforts and private funds, as well as Federal Government funding on a 2:1 basis for the later constructions. This aged complex cares for approximately 120 elderly people and it operates with a staff of 47. Thus the Pioneer Home is an asset to the local business sector through its supply orders from the institution and staff.

The second major private venture in Longreach has been the opening of the Stockman's Hall of Fame in 1988. This $11m facility was funded roughly equally with private and government monies, showing how both these sectors encourage each other (Table 5). Further private investment occurred in Longreach to support the expanding tourist industry stimulated by the Hall of Fame.

TABLE 5: MAIN PRIVATE AND GOVERNMENT INVESTMENT IN LONGREACH TOWN SINCE 1987

	1987	1988	1989	1990
Private Business Investment	$5.1m	$1.1m	$2.9m	$3.3m
Government Investment	$6.4m	$4.0m	$0.7m	$2.2m

Source: Longreach Shire Council; Barcaldine Department of Administrative Services, 1991
[Figures do not include small renovations or constructions]

In relation to observable benefits, tourism is only marginally important to most Longreach town businesses (Table 6). Businesses in towns like Broome and Exmouth are more heavily geared to the tourist industry (Table 7). Motels, restuarants, gift shops and tour operators are the major direct beneficiaries from tourism. Nevertheless there are many indirect benefits arising from increased employment in the hospitality businesses. In addition, a facility like the Stockman's Hall of Fame assists to stimulate the regional economy, and hence other towns, as it draws tourists into the area.

TABLE 6: ESTIMATED PERCENTAGE OF CUSTOM FOR LONGREACH BUSINESSES

%	*Rural residents*	*Town residents*	*Tourists*
0	16	10	29)
1-10	25	14	38) 70%
11-30	21	10	7
31-50	16	21	7
51-70	8)	20)	-
71-90	3) 18%	16) 43%	4
91-99	7)	7)	7
100	-	-	5
no data	4	2	3

* The tourist percentages are based on the peak tourist season estimates.

Source: Hudson 1991 business survey of 77 local businesses.

Tourism has not had the negative impact on the Longreach community as occurred in Broome. This is because it has not over-run the town and has been introduced at a pace which has gained acceptance among the vast majority of the population. Residents here value the additional income the town earns from this industry. It is ironical that residents in Longreach were initially hesitant about, or even opposed to the Hall of Fame. Three years after its opening, the vast majority of respondents in a survey acknowledged its benefits to the town (Hudson, field work 1991).

Town custom is the major component of local business support in all northern towns surveyed (Table 7). Longreach's business sector is fortunate in that it is seven hours drive to the nearest major centre. Consequently this keeps many purchases within the local business district. Other towns in more closley settled rural areas, such as the New England region of NSW, lose much custom to the nearby larger centres (Table 8).

With the downturn in the economy and a change in Queensland government, Longreach has already lost its Regional Education Office to Mt Isa as rural services are rationalised. The government role will again be crucial to the viability of all these outback Queensland towns. However, towns like Longreach, which have had a significant government input, stand a better chance of maintaining sound local economic and social opportunities than their neighbouring towns which have generally missed much of this public investment.

Exmouth represents a town constructed entirely for government purposes: defence. The jointly owned Australian/US Naval Telecommunication base, now being handed over to the Australian government, was initially the only reason for the town's existence. Over a 15 year period from the town's inception in 1963, the Commonwealth government provided residents

TABLE 7: ESTIMATED PROPORTION OF LOCAL BUSINESS CUSTOM FROM TOURISTS (per cent)

Proportion	Broome	Exmouth	Wyndham	Longreach	Normanton	Boulia	% of total businesses	N
none	21	17	22	29	42	17	24	63
<10%	10	2	39	38	21	42	22	57
11-30%	23	17	13	6	17	8	15	39
31-50%	19	21	4	6	0	25	13	34
51-70%	13	15	4	0	4	0	7	19
71-90%	6	19	4	4	0	8	7	19
91-99%	1	2	4	6	4	0	3	9
100%	3	6	0	5	8	0	4	11
no data	3	0	9	5	4	0	3	9
N	77	47	23	77	24	12		260

N = number of businesses (either the owner or manager of each business was interviewed)

TABLE 8: SHOPPING DESTINATIONS FOR EVERDAY ITEMS, NEW ENGLAND COMMUNITIES, NSW

Community Area	No of Shoppers	Local	Local and Nearest Centre	Tamworth	Armidale	Inverell
Walcha town residents	83	68	27	0	6	0
Walcha rural residents	90	41	27	21	6	0
Bingara town residents	74	73	23	0	0	4
Bingara rural residents	41	44	34	12	0	5
Bundarra town residents	36	14	42	0	0	44
Bundarra rural residents	25	4	32	0	36	28
Nundle town residents	103	18	39	44	0	0
Nundle rural residents	37	16	14	70	0	0
TOTALS	489	40	30	19	4	6

Source: Hudson 1986:248

with good quality infrastructure and services. Private enterprise was only a small component of investment in the town, represented in local retailing, trades and a few tourist accommodation enterprises. Fishing and prawning became important commercial activities in Exmouth Gulf. The nearby prawning village has 230 people, most of whom either work on the boats or in a small processing factory at the village. Exmouth town receives some additional cash flow from the $2m paid in wages to Kailis' employees (Hudson 1988).

The scenic diversity in Exmouth's shire is a major tourist attraction. North West Cape is flanked by WA's first marine park, the Ningaloo Marine Park which contains a coral reef, unique marine life and pristine white sandy beaches. In addition, the Cape Range National Park incorporates canyons, gorges and wildlife. These features, combined with Exmouth's reputation for fishing, draws a visiting population which in the 1986 ABS census equalled its resident population (Table 3). In spite of this, these visitors are reported to spend little in the town. Generally they are caravaners and campers who 'arrived with freezers full of food and leave with freezers full of fish'. Although caravan parks florished, the commercial sector remained small and two motels/ hotels served the needs of the other tourists until 1990.

In 1989 Exmouth was on the verge of some dramatic changes. With the announcement by the WA government that it would build a $12m marina, interested tourist investors arrived. A five star international resort was proposed, along with signficant new residential and commercial developments. For a number of years Exmouth had been constrained by a shortage of land for residential and light industrial development. The development pressure was such that in 1989

many local community residents were concerned that the developments proposed would pose a threat to the highly valued local environment. Hence conflicts between conservation and development emerged (Table 9).

TABLE 9: ANTICIPATED AFFECTS OF PROPOSED CHANGES TO EXMOUTH IN 1989

Proposed in 1989	Perceived Costs	Perceived Benefits
Lighthouse Resort development ($10m)	. loss of historic character of of lighthouse . proposed sale of lighthouse . loss of open viewing of terraced anticline . more pressure on park, wildlife and coral reef	. more tourists . more jobs . more expenditure in local economy
Coral Coast Marina ($12m)	. environmental pressure on - fish - coral - wildlife - parks . danger of oil spills should ships use the marina . loss of small town life	. 5 star luxury resort . new shopping complex . government offices . caravan park . 360 new residential blocks . increased tourism . increased employment . diversity to local life
Sealing of Cape Range National Park road ($200,000 - 1st stage)	. increased traffic speeds . greater tourist numbers . further slaughter of widlife . loss of wilderness experience	. easier access into park for tourists . better visibility . no further need to dig gravel quarries . healthier vegetation

Source: Hudson 1991b

A residential survey revealed that, in 1989, three quarters of the respondents were against sealing the road in the National Park, and 53% were against the marina. There was considerable community concern about the destruction of the local way of life. Key components of this way of life included the safety of the small community life, the US residents with children particularly valuing this quality. Many local residents were concerned about the destruction of their 'paradise'. Those in favour of the marina were individuals more concerned about the economic vulnerability of Exmouth as a defence town with few other local industries.

Generally, it was accepted that Exmouth needed to diversify its economy and move away from its sole dependence on the defence base if it was to survive in the long term. The marina and resort offered economic diversification. The concern was to control the rate of change to an extent which enabled the monitoring of environmental impacts. Then, with the collapse of WA Incorporated in 1990, everything ceased. The marina construction was cancelled, the outside tourist developers vanished and the town fell into the doldrums. One local entrepreneur who had invested $10m in Exmouth motels and hotel, in anticipation of the tourist boom, has put his assets on the market. And so the cyclical swings of boom and bust continue in the north.

The town now has a new concern - oil drilling just outside the coral reef. One oil spill has the potential to destroy the natural assets surrounding the Cape, as well as the prawning and fishing industries. And so the conflict between economic interests, local interests and environmental interests continues. In the current recession, outside economic interests have the top priority. There are no benefits to Exmouth's local economy from this resource extraction.

The above four towns have had significant public investment. It can be seen that private investment has been stimulated by government iniatitives and presence in a town, except in the case of Broome where the reverse occurred. Three of the four towns appear assured of a viable future as long as the government continues to provide that stabilising role. Exmouth's future is still largely dependent on the continuation of the defence base, although if the marina is eventually constructed, the town's functions should diversify considerably.

Lack of investment in three northern Australian towns

Other rural and remote towns have been largely bypassed by the federal and state spheres of government, and consequently private investment. They struggle to maintain an adequate quality of life, some unable to fund basic infrastructure such as sewage, others fighting to retain facilities and services in the face of recentralising regional policies. For this discussion, three towns will be considered. Normanton and Boulia in western Queensland, and Wyndham in the East Kimberley.

Normanton, a remote Gulf country town, has undergone a number of functional changes since its establishment in 1868. Once it was a service centre of some importance to the surrounding

pastoral and mining enterprises. Today its functions focus primarily to service the town population.

The most significant change has been for the Aborigines. Until two decades ago, the Aborigines lived in shanties on their reserve on the outskirts of the town. With the introduction of assimilation policies, Normanton town has steadily absorbed the Aboriginal population. Today they comprise the majority of Normanton residents. The 42% usual resident population growth in Normanton, over the last intercensal period, is predominantly due to an expansion of the Aboriginal population.

Funding for Aborigines has been one of the main areas of government input into Normanton. Although funds have steadily increased since the 1970s, in an effort to improve the living standards for the indigeneous population, resources have not kept pace with needs. In spite of the construction of 32 houses for the Aborigines, an investment of approximately $4m, there is still severe overcrowding in these houses. Some houses are accommodating up to 20 people (Bynoe Society [the local Aboriginal Corporation] administrator, pers.comm.1989). There have been no new houses for the last four years; funding for more housing appears to have ceased.

Other forms of grants have increased, however. The administrative and developmental structure of the Bynoe Society expanded, particularly in relation to the introduction ofthe Community Development Employment Program (CDEP, or work for unemployment benefits) in 1990. A total of $4m has been funded for consultants to set up the CDEP scheme ($2m) and the provision of an activities centre for various work programs, as well as new vehicles ($2m). Since the introduction of CDEP, the Aborigines have given the town a new image. However, CDEP is only a temporary solution to long term employment and life style problems facing the Aborigines. When over half the town's adult population is dependent on welfare benefits, there is very little prospect for economic growth. Besides the Aboriginal funding, very little other funding is coming to this town.

Normanton still has a limited function as a service centre to the surrounding cattle enterprises. Generally, station property owners and managers in Carpentaria Shire purchase most of their supplies elsewhere. This was applicable to all areas studied, except Longreach (Table 10). One factor is distance from the town but another factor is the tendency for some, particularly the absentee company stations, to purchase direct from Brisbane or Perth. Consequently, most of these retailing sectors survive mainly on local town custom. In towns like Normanton, Aboriginal patronage is a significant component of local business custom. Due to the contraction of the Normanton town business trade area, by 1989, businesses were competing to survive.

Carpentaria Shire Council office is located in Normanton, administering the second largest shire area in the state; it is also responsible for the growing nearby coastal settlement of Karumba. Like all the other towns examined in this paper, local government plays a key role in the employment structure and functioning of the town. The smaller the town, the more important local government is to the economy, particularly if there is little other investment.

Often the only tertiary trained people available to local residents in small remote towns are found within local government. Without locally based shire organisations, these outback towns would be even further behind in the development process. As it is, Normanton still does not have some of the basic services, such as a town sewage system, even though more than 1,000 people now live in this location. Under current funding arrangements, it is unlikely that Normanton will ever have this service.

TABLE 10 ESTIMATED PROPORTION OF LOCAL BUSINESS FROM RURAL PEOPLE (percent)

Proportion	Broome	Exmouth	Wyndham	Longreach	Normanton	Boulia	% of total businesses	N
none	71	68	48	16	38	8	46	120
<10%	13	28	39	25	33	0	23	59
11-30%	10	2	4	21	13	42	13	34
31-50%	3	0	0	16	0	33	7	18
51-70%	0	2	0	8	4	8	3	9
71-90%	0	0	0	3	8	8	2	5
91-99%	0	0	0	6	0	0	2	5
no data	3	0	9	6	4	0	4	10
N	77	47	23	77	24	12		260

N = number of businesses (either the owner or manager of each business was interviewed)

Providing adequate water to Normanton and Karumba (100 km away) has been a large financial burden on Carpentaria Shire, even with commonwealth and state government assistance. The shire council had to borrow $1m in loans to cover the cost of providing water to Karumba. This type of expenditure limits council's ability to provide adequate recreational facilities. There is no reticulated grassed football oval in Normanton, for example. Towns like Normanton are not able to muster the same voluntary funds and effort to develop recreational facilities such as those found in Longreach. Nevertheless, Carpentaria shire council has done what it can, providing the first tennis court, the base work at the bowls club and maintaining the rodeo grounds and race track. There have been other improvements throughout the 1980s also (Table 11).

TABLE 11: IMPROVEMENTS IN NORMANTON DURING THE 1980S

- School expanded, more teachers
- Town roads bitumenised
- Better water supply - improved gardens/nature strips
- Expansion of Aboriginal Bynoe Society functions and funding
- New hospital (but loss of functions)
- New motel
- New houses
- Four pensioner units
- More sporting facilities - bowling greens
- Commencement of ABC and Commercial TV
- More air services
- More itinerants - extra 2 police, 1 clerk of courts, 1 stock inspector, 4 nurses,
  1 full-time doctor
- More religions
- Town now clean, well maintained, and quieter

Source: Hudson, 1989 field work

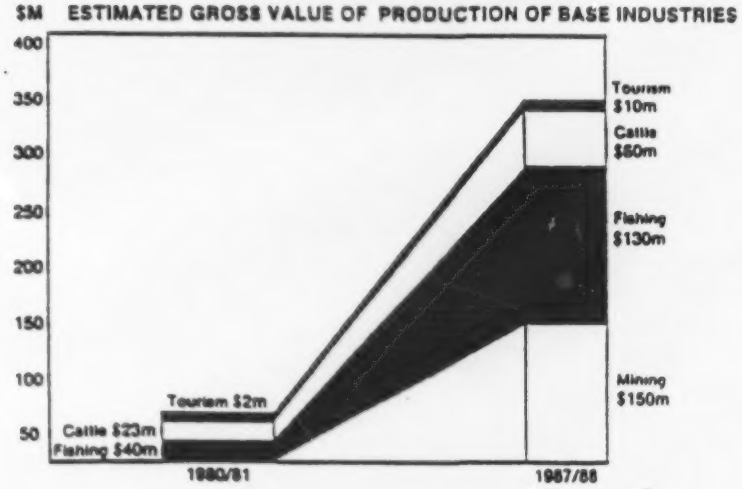
The major capital expenditures from the Queensland government were the construction of a new hospital and expansion of the school. Unfortunately, in spite of the better health facilities, the range of medical functions performed in Normanton has either declined or remained static. For example, all babies are delivered in Cairns or Mt Isa, and no specialists or allied health workers visit Normanton, except a dentist. The health services for small populations in remote parts of northern WA are considerably better, in spite of recent rationalisations.

Normanton has failed to attract any significant private investment, in spite of the town's potential. One overseas investor was considering a tourist resort development in Normanton as part of a chain of resorts across the north of Australia. Unfortunately for Normanton, it was the same investor who withdrew from Broome and Exmouth in 1990. Had this developer not

over invested in Broome but spread his resources more sensitively across the north, he may not have received the backlash which occurred in Broome. A small dose of tourist investment in Normanton would be advantageous to this town. Normanton contains some good quality architecture in the main street and it is located in a unique outback environment. There is certainly an appeal to this town but its tourism is restricted by the 100km of unsealed road to the coast. At the rate of current funding for the sealing this road, it will be half a century before Normanton is connected to the coast by bitumen. This factor in particular holds back development from a resource rich region.

The productivity generated from the gulf region more than justifies greater government expenditure (Table 12). A report by Pannell, Kerr and Forster (1983) pointed to the urgent need to develop infrastructure and services in the region. It notes that much of the region's failure to capitalise on the tremendous growth in gross value of the region's base industries can probably be traced to the inadequacies in infrastructure and services (Cummings 1989:10). Local authorities were seen to be trying to improve aspects under their control but the other two spheres of government had done little. Much of the mailaise in many western Queensland towns (see Taylor 1989:24) can be attributed to the government's 'hands off' approach (see Hudson and Jensen 1991 for a more detailed appraisal of this approach). Until infrastructure and service improvements occur in locations like Normanton, little private enterprise development is likely to eventuate.

TABLE 12: ESTIMATED GROSS VALUE OF PRODUCTION IN QUEENSLAND GULF SHIRES



Source: Cummings 1989, Chart 5.

Boulia is a very small western Queensland town with around 300 people, 33% of whom are Aboriginal. Its town population has remained static but the number of people living in the surrounding rural hinterland has declined in line with decreases in the rural labour force. The major function in Boulia is administration of the shire with its 41 local government employees, although more people work in various private enterprise activities in the town.

Boulia was established in 1876 and it has remained a service town to its pastoral region. It represents the typical scenario of a rural service town surrounded by good cattle and sheep production but struggling to diversify its economic base and promote further expansion. Like Normanton, its major constraint is the dirt road to Winton and hence to the coast. After rain this road becomes impassable to standard, and sometimes four wheel drive, vehicles. Boulia lies at the crossroads between six destinations - Townsville, Rockhampton, Mt Isa, Alice Springs, Birdsville and Charleville. The greatest potential is seen to be in linking Alice Springs with Boulia via the Donohue Highway, thereby providing an alternative route from the Northern Territory to the Queensland coast. Lack of road funding to western Queensland has restricted tourism in this region as well.

Road development in western Queensland is commonly regarded as the most seriously neglected infrastructure requirement, especially when compared with other Australian states. The last significant road work program in this part of the state occurred during the 1961 to 1974 construction of the Beef Roads. Yet the state as a whole reaps considerable benefits from the primary industries operating out in the west. The pattern of inadequate return of resources to these peripheral regions is again evident.

In contrast to the upper two tiers of government, Boulia Shire Council has done what it can to provide the town with good facilities. Much of the credit for this goes to the foresight and dedication of an earlier shire president who, with the support of the rural councillors at that time, was able to provide the town with good sewage and water systems, a swimming pool, community hall, caravan park, hotel and a butcher shop which it leases. In addition, council maintains and contributes to tennis courts, an oval (not reticulated), the rodeo grounds and parks. Boulia is a well presented town but without an improvement in road links, it is difficult to see how Boulia can expand its size or diversify its economy. However, it is relevant to mention that a survey in 1989 (Hudson) revealed that 65% of the respondents wanted Boulia to remain a small village. This highlights the fact that people live in a variety of locational size groups for a range of preference reasons. The problem is that unless Boulia demonstrates some growth and maintains reasonable threshold numbers for particular services, the town will either lose services or fail to attract funding to improve their quality of life. This is because service assessment formulas do not give any weighting to the value of small scale rural or remote environments (discussed later). Wyndham has suffered for this very reason.

Wyndham (1886) was the major service centre for the East Kimberley region of WA for 80 years but its position has deteriorated, particularly over the last decade. It now is a town struggling to survive as it loses industry, population, services and other functions. There are two main reasons for its declining status. Firstly, the establishment of Kununurra, 100 km from

Wyndham, precipitated a situation where Wyndham lost its regional function. Kununurra became the focus of all government expenditure while Wyndham was bypassed. Only $0.75m was spent on Wyndham port over the 20 years that $97m went on the Ord River Scheme (Dillon 1986:3). This was followed by the addition of government services and functions to Kununurra described above. The regionalisation of Kununurra was done at the expense of Wyndham. Since 1969, 153 government positions were taken from Wyndham, an estimated loss of 612 people (Table 13). Over half these positions (87) went to Kununurra. The build up of population and resources in Kununurra prompted the relocation of the majority of local government personnel and functions out of Wyndham to its neighbouring town. Such decisions fueled the already strong animosity between these two towns.

The second major setback came when the meatworks closed in Wyndham in 1985. Distance from markets, difficult climatic conditions, union demands, and competition from other meatworks, all contributed to its downfall. The town lost 272 jobs but not all the employees left Wyndham. In spite of these losses, local residents express a high level of community satisfaction Table 16) and they fight strongly to try to stop the spiral of decline dragging Wyndham down.

During the latter part of the 1980s, Wyndham has been battling to attract another industry and maintain its service functions. Tourism to date has only had a minor input into the town economy, in spite of the enormous tourist potential. Wyndham retains its outback appeal. The town is set in an environment of dramatic ranges, salt flats, crocodiles, birdlife and gulf attractions. However, by 1989, Wyndham received only 10% of the 70,000 recorded visitors to Kununurra, largely due to poor publicity. This doubled in 1990 with the establishment of a Crocodile Farm.

An outline of the struggle to establish a Crocodile Farm in Wyndham is documented in the *Wyndham Watershed Report* (Hudson 1990b). The local entrepreneur, after obtaining WA's first crocodile export licence and building the farm, faced bankruptcy when the agreed upon government guarantee and hence bank loans were not forthcoming. After only a year of operation he lost all his assets which included the old meatworks land and 15 houses. The bank resumed the crocodile farm and the well designed associated buildings and gardens. A buyer is still being sought.

The events surrounding the Wyndham Crocodile Farm raise some pertinent questions. It is queried why a multi millionaire overseas investor was able to obtain $50m in loans and joint project deals for the Cable Beach Club in Broome, yet a local Australian entrepreneur, trying to established an export industry in Wyndham, was abandoned. The funds required for this project, over a five year period, were to be approximately $2.5m. Wyndham is a town desperately struggling to survive and needed this industry, not just from an economic perspective, but from a psychological one also. Furthermore, demand for crocodile skins cannot be met by the exisiting production in Australia, yet the WA government gave no assistance in research, crocodile survey work, or establishment incentives. A contrast with the Northern Territory government policies of support for their crocodile industry bears this out. It is also pointed out that the WA government received $100m in royalties from the Argyle Diamond mine, yet failed to allocate assistance to established this East Kimberley industry.

TABLE 13: CHANGES TO WYNDHAM'S POPULATION SINCE 1970 DUE TO SERVICE AND BUSINESS STAFF LOSSES

Date	Service/Enterprise lost	No Staff	Estimated no. of people who left as a result
1987	Kimberley Health Administrator (to Kununurra)	5	5
1972	Main Road workers (to Kununurra)	10	30
1973-77	Public Works Dept., plus mechanical and plant engineers and workshops (to Kununurra)	32	72
1977	State Housing (to Kununurra)	1	4
1978	Clerk of Courts (to Kununurra)	1	1
1978	Telephone exchange	16	
1980	DAA (to Kununurra)	3	5
1982	Customs	1	4
1985	RFDS Radio Bas		
1985	Dept Primary Industires (to Kununurra)	6	6
1985	Fisheries & Wildlife Inspector	1	4
1985	Telecom (to Kununurra)	6	24
1985	Meatworks	272	300
1985	Postal assistant	1	4
1986	SEC (to Kununurra	2	6
1986	DCS Aboriginal Resource worker	1	
1982-89	Water Authority (to Kununurra)	9	26
1982-89	Wyndham school teachers	6	8
1983-88	Shire Staff (to Kununurra):		
	Recreational officer	1	1
	Shire engineer	1	3
	Health inspector	1	2
	Works foreman	1	5
	Shire clerk	1	4
	Maintenance manager	1	2
1987	Kimberley Health administrator (to Kununurra)	1	5
1987	DCS District Officer	1	5
1987-88	Dental therapist and assistant	2	5
1988	Pathology technical assistant (to Kununurra)	1	1
	Hospital pharmacy stocks reduced		
1988	Kimberley Health clerical (to Kununurra)	1	
1988	Childcare Mothercraft Nurse	1	1
	Family Support outreach worker	1	
	Family Support coordinator	1	
1988	Prison officers	2	8
1989	DCS District Officer (to Kununurra)	1	4
1989	DCS Family Resource worker	1	

TABLE 13 continued...

Date	Service/Enterprise lost	No Staff	Estimated no. of people who left as a result
1989	Kimberley Health Promotion Officer	1	2
1989	Kimberley Health workers, part-time	2	
1989	Radiographer (to Kununurra)	1	1
	Hospital courier driver (to Kununurra)	1	1
1989	Joorook Ngarni training officer	1	1
1985-90	Marines and Harbours	10	15
1985-90	Business shed	16	12
1990	Social Security agents	1	
1990	Hospital pay officer	1	5
1990	RFDS: 1 pilot	1	6
	2 flight sisters	2	5
1990	Kimberley Health:		
	Regional Aboriginal Liaison Officer	1/2	
	Health worker	1	
	Registered nurse	1/2	
	No relief health sister		
1990	Wyndham Hospital: 7 nurses	7	7
1990	R & I Bank	1	1
	TOTAL NUMBER OF PEOPLE WHO HAVE LEFT WYNDHAM		603

The evidence suggests a biased approach in resource distribution has occurred. Key towns have been built up at the expense of less advantaged towns. It is little wonder that remote towns like Wyndham are locked in a spiral of decline. The WA government has provided no real incentive to develop Wyndham, in spite of eight consultancy reports recommending affirmative action policies. In fact, the withdrawal of services has continued with the removal of the RFDS in 1990 and the downgrading of Wyndham hospital. The focus has been on building up acute care at Kununurra hospital at the expense of basic primary health care in the Wyndham region. The destruction of what doctors described as 'a good little hospital' was like the final straw to the Wyndham community.

A loss in health status has a devastating effect on any community but one as remote as Wyndham feels this particularly. The hospital was a large employer in Wyndham and as staff is reduced, the effects flow onto the other services - the school, child care centre, post office, all of which came under the eyes of the rationalists as 'numbers' fell. Wyndham now has declined to 1,000 people, a recognised critical threshold for the survival of a range of services. In line with the recommendation for affirmative action outlined in the ninth report on Wyndham's future (Hudson 1990b), a community development position has been funded in an attempt to reverse the cycle of decline.

Funding for the Aborigines, who now form the majority of the population, has been the only significant government investment in the town. An Aboriginal community resource agency, Joorook Ngarni, was established in 1988 with funding for seven administrative and community development positions. Additional resources were provided to run the Wyndham Caravan Park and purchase a local supermarket. Wyndham Aborigines had expressed a desire to become part owners in the Crocodile Farm. Had this eventuated, it may have helped to retain local ownership of the crocodile industry. Instead, considerable monies were provided to undertake four consultancies, all investigating a local supermarket venture. Had a proportion of this money been spent on training the Aborigines to run the supermarket, then perhaps some Aborigines may in fact have been employed in the store, thereby avoiding aspects of dissatisfaction with this project. The choice of the supermarket project remains questionable when involvement in a crocodile farm appears a more appropriate and locally popular choice, especially when considered in the light of a long term venture.

A range of development potentials have been identified for Wyndham (see Hudson 1990). These include re-opening the meatworks (Wyndham is a better location for this industry than Broome which has pollution, traffic and locational problems associated with its meatworks), extending the crocodile farm into a hatchery, tannery and associated cottage industries, replacing the run down existing prison with a new rehabilitation prison which utilises horticulture and other forms of farming, a mini oil refinery, barramundi breeding and increased use of the port. A reasonable government incentive needs to be provided for any one of these developments to eventuate.

Summary

By focusing on seven small remote towns, it has been shown that there is a mix of private and government acitivities in these regions. In the case of Broome, private enterprise has played the major role through pearling and tourism development whereas Exmouth is largely a government defence town, although it has a potential to diversify into higher levels of private enterprise tourist acitivity. There are also prawn, fish, oil and limestone resources in the area. Kununurra, on the other hand, was given its initial impetus by the government funded Ord River Scheme, but now private enterprise plays the major role through the combined earnings from diamond mining, horticulture, agriculture, tourism and a growing commercial sector. Longreach until the 1980s was primarily an agricultural centre servicing the surrounding pastoral industry. More recently, the government component has become increasingly important as various educational and other departmental functions were located in Longreach. Tourism also has encouraged the expansion of private enterprise activities.

Other towns are much more dependent on government investment. Although Normanton lies in the centre of a productive cattle industry, little income flows into the town from this industry. Similarly, the prawning and fishing industry in the adjacent gulf ship their products for processing elsewhere. Government funds for Aborigines is one growing investment, in line with the expansion of this sector of the population. Boulia receives better support from its rural sector than Normanton and the local shire council has done much to invest in the town.

However, little funding has been made available to local Aborigines in Boulia, so this is not a particularly relevant component of the economy beyond the cash flow generated by welfare support. A lack of road funding has limited both Boulia and Normanton to increased tourism. Finally, Wyndham represents a town not only bypassed by government funding, it has actually been siphoned to build up its neighbouring town of Kununurra. A recent attempt at private enterprise through a crocodile farm received regional political support, but financial assistance was short lived and technical assistance for developing a new crocodile industry was virtually negligible. A complete disregard has been shown for this town, in spite of a number of good future development opportunities. Perhaps the newly appointed community development officer will be given the required government support to turn this situation around.

Therefore a range of investment approaches to small remote towns are evident. Private investment has been responsible for the extraction of rich resources, such as pearls, diamonds or prawns, leading to the development of nearby towns and villages. The private sector has also been the backbone to the extensive use of the land through the pastoral and agricultural industries, and the development of commercial and tourist sectors in service towns not too distant from the agricultural producer.

The remote towns discussed here demonstrate an important mix of private and public investment, challenging a belief that government investment is what keeps small rural towns going. Furthermore, not enough recognition is given to the significant contributions from local voluntary efforts towards facilities and services in small remote towns (not dealt with here), perhaps one reason why such organisations are in a state of demise. It has been shown that the major trend for the last three decades in the remote north of Australia has been one of expansion for the small service towns. This growth is due to new developments, increased inmigration, a natural increase of the Aboriginal population, and people staying longer in the north, many putting down permanent roots in the small towns. Non metropolitan growth elsewhere in rural Australia is still the predominant trend but the fortunes of rural towns varies in a similar manner to that described in the seven northern towns outlined in this paper.

The above analysis demonstrates the crucial role government plays in determining the economic future of rural and remote towns. Relatively small expenditures by government can firstly, provide an important direct stimulus for the local economy through the establishment of required infrastructure levels necessary for the growth of that economy. Secondly, government activity has a multiplier effect which can create an optimistic local environment attractive to private investment. It has been argued here that governments have a responsibility to spread the benefits gained from national resources in a more equitable way. There are also social and cultural reasons for providing an adequate quality of life for populations, such as Aboriginal or other disadvantaged rural groups who live in the less productive regions of Australia. This is the very basis of our taxation system - a transfer from the more advantaged people to the disadvantaged; policies which are supposed to separate Australia from third world countries. Instead, there has been a steady 'bleeding' of the country for the benefit of the city, culminating in what is now termed a 'rural crisis'. Wealth has been extracted from the periphery without an adequate return of an equitable quality of life. Service delivery is a major component of this equitable return. This will be briefly discussed below, focusing on education.

Service Requirements desired by Rural Inhabitants

A questionnaire survey of residents in six northern rural communities revealed that education, health and better roads were the major areas where more government spending was desired (Table 14a and 14b). The importance of access to better local education is especially significant because only some households have dependents requiring education, yet among the townspeople it received the greatest emphasis for improvement.

This research indicates that access to adequate health services is the most vital to rural people's psychological wellbeing. Rural people gave health higher priority than education in the survey. One reason why townspeople did not nominate health service improvements as the highest priority was because, in 1989, compared with education, these towns and rural areas generally were relatively well catered for in terms of expected local health services. This was particularly the case in the three northern Western Australian towns.[1] In contrast, the quality of local education was considered poor. In 1989 there was no senior high school in the Kimberley, for example.

Schools which have to combine Aboriginal and non Aboriginal education are particularly problematic and require experienced staff, not the flow of inexperienced teachers taking up their first postings. Aboriginal and non Aboriginal requirements and concepts about education can differ considerably. Similarly, very different views exist within each of these groups. Certainly the lack of pupil numbers has been one factor restricting the expansion of subjects and levels offered at rural high schools.

Rural education has been limited by divided interests. The main division is between those wishing to send their children away to private boarding schools and those desiring an improved local education system. Moneys allocated to the former tends to undermine the latter. Some argue that free airfares and boarding allowances encourage parents to send their children away from the region, thereby reducing the number of local students. This restricts the development of adequate secondary schools. There certainly are equity problems between the rural hinterland people, whose needs are lobbied for by the Isolated Children's Parent's Association (ICPA), and the rural town children. School children living outside towns are able to obtain allowances to board their children in metropolitan schools whereas rural town parents, in most states, receive no allowances if there is a local secondary school, no matter what standard it is. Research in the four New England communities showed that rural people had higher levels of education than the townspeople (Figure 1), perhaps reflecting this policy.

Rather than provide encouragement for rural town children to also board away in metropolitan schools, one solution would be to provide quality boarding in rural towns for children living in the district, and allowances to be geared to this end. These boarding facilities should not be run like the old hostels which were often poorly supervised and run on a financial shoestring, consequently losing the confidence and patronage of the rural people.

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1. Regionalisation policies for health services altered this situation in 1990 and two of the WA towns studied have had some of their health services downgraded. Hence priorities could well be different today.

TABLE 14a: REQUIRED GORVERNMENT SPENDING NOMINATED BY RESPONDENTS (percent)

		TOWNS:						
	*	Broome	Exmouth	Wyndham	Longreach	Normanton	Boulia	Ave
Education	1st	20	18	44	19	7	15	
	2nd	17	29	19	26	22	20	
	3rd	15	15	17	19	28	13	
	Ave	*17*	*21*	*27*	*21*	*19*	*16*	*20.2*
Health + Medical	1st	20	26	20	12	9	9	
	2nd	18	16	32	14	24	11	
	3rd	11	9	10	12	24	11	
	Ave	*16*	*17*	*21*	*13*	*19*	*10*	*16.0*
Recreat.	1st	15	11	10	13	26	11	
	2nd	16	15	20	15	6	13	
	3rd	14	18	14	17	6	13	
	Ave	*15*	*15*	*15*	*15*	*13*	*12*	*14.2*
Roads	1st	16	6	5	43	33	24	
	2nd	7	10	2	18	7	15	
	3rd	9	4	5	9	4	13	
	Ave	*11*	*7*	*4*	*23*	*15*	*17*	*12.8*
Community/ Welfare	1st	4	12	3	3	6	6	
	2nd	12	11	5	7	20	17	
	3rd	9	13	20	14	9	11	
	Ave	*8*	*12*	*9*	*8*	*12*	*11*	*10.0*
Water	1st	4	16	2	3	0	2	
	2nd	4	3	0	7	2	2	
	3rd	2	10	2	7	4	6	
	Ave	*3*	*10*	*1*	*6*	*2*	*3*	*4.2*
Transport	1st	4	3	5	3	0	0	
	2nd	3	3	3	4	0	7	
	3rd	3	5	10	8	4	2	
	Ave	*3*	*4*	*6*	*5*	*1*	*3*	*3.7*
Power	1st	1	3	5	1	0	2	
	2nd	2	0	5	1	0	0	
	3rd	1	3	2	6	0	6	
	Ave	*1*	*2*	*4*	*3*	*0*	*3*	*2.2*
Mail	1st	1	0	0	0	0	11	
	2nd	4	0	0	0	0	0	
	3rd	3	2	2	0	0	7	
	Ave	*3*	*1*	*1*	*0*	*0*	*6*	*1.8*
Phones	1st	3	0	3	0	0	2	
	2nd	1	3	0	1	0	0	
	3rd	4	1	2	2	0	4	
	Ave	*3*	*1*	*2*	*1*	*0*	*2*	*1.5*
Other	1st	7	6	0	1	0	2	
	2nd	1	2	3	0	2	0	
	3rd	4	2	3	0	2	4	
	Ave	*4*	*3*	*2*	*0*	*1*	*2*	*2.0*

* = Respondents' preferences. This was a multiple choice question.

Q: If the governments were to allocate more funding to remote areas which three of the following things would you chose?

TABLE 14 b: REQUIRED GORVERNMENT SPENDING NOMINATED BY RESPONDENTS (percent)

		RURAL:						
		Broome	Exmouth	Wyndham	Longreach	Normanton	Boulia	Ave
	*							
Roads	1st	15	9	58	46	33	32	
	2nd	10	6	19	23	16	20	
	3rd	10	12	7	8	18	24	
	Ave	***12***	***9***	***28***	***26***	***22***	***25***	*20.3*
Health + Medical	1st	8	24	23	3	30	10	
	2nd	19	6	16	15	19	24	
	3rd	8	6	19	13	23	12	
	Ave	***12***	***12***	***19***	***10***	***24***	***15***	*15.3*
Education	1st	10	24	10	18	5	17	
	2nd	6	15	32	8	37	5	
	3rd	8	6	19	3	23	2	
	Ave	***8***	***15***	***20***	***10***	***22***	***8***	*13.8*
Phones	1st	13	0	0	5	5	5	
	2nd	2	6	0	5	12	17	
	3rd	10	3	7	5	9	22	
	Ave	***8***	***3***	***2***	***5***	***9***	***15***	*7.0*
Mail	1st	8	0	0	0	7	12	
	2nd	6	0	10	13	2	17	
	3rd	4	3	0	13	5	10	
	Ave	***6***	***1***	***3***	***9***	***5***	***13***	*6.1*
Recreat.	1st	6	9	0	5	12	2	
	2nd	2	9	0	5	2	2	
	3rd	4	9	7	10	5	0	
	Ave	***4***	***9***	***2***	***7***	***7***	***1***	*5.0*
Power	1st	17	3	3	0	2	17	
	2nd	6	9	3	3	2	0	
	3rd	4	6	3	5	2	0	
	Ave	***9***	***6***	***3***	***3***	***2***	***6***	*4.8*
Water	1st	4	12	0	5	0	0	
	2nd	4	15	3	10	4	0	
	3rd	2	12	7	3	4	0	
	Ave	***3***	***13***	***3***	***6***	***3***	***0***	*4.6*
Community/ Welfare	1st	4	6	0	3	2	2	
	2nd	8	15	3	3	7	0	
	3rd	2	3	0	10	9	2	
	Ave	***5***	***8***	***1***	***5***	***6***	***1***	*4.3*
Transport	1st	0	0	0	8	4	2	
	2nd	6	0	0	5	0	0	
	3rd	0	0	0	10	2	5	
	Ave	***2***	***0***	***0***	***8***	***2***	***2***	*2.3*
Other	1st	8	3	0	3	0	0	
	2nd	0	0	0	0	0	0	
	3rd	2	0	7	0	0	0	
	Ave	***3***	***1***	***2***	***1***	***0***	***0***	*1.2*

* = Respondents' preferences. This was a multiple choice question.

Q: If the governments were to allocate more funding to remote areas which three of the following things would you chose?

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The quality and standard of education in rural secondary schools is considered a major reason why people leave northern towns (Table 15). In an era where skilling people is receiving increasing emphasis, particularly in an economic climate of high unemployment, parents who are not able to afford to board their children away often consider they are limiting their children's future if they do not move closer to better education.

TABLE 15: WHY PEOPLE THOUGHT OTHERS HAD MOVED (%)[a]

TOWN	Job	Education	Retirement	Other	N	% of survey
Broome	27	12	10	51	127	80
Exmouth	65	24	2	9	98	89
Wyndham	46	20	2	32	50	85
Longreach	55	7	30	8	84	92
Normanton	32	21	5	42	19	35
Boulia	17	39	22	22	18	33

a = Percent of N (percentages total 100)
N = Number of respondents who supplied information

Further education and training is another area where rural people have limited access and involvement. In the northern town survey, only in Longreach did respondents record some level of participation. In the other towns, just one or two residents were undertaking further study.

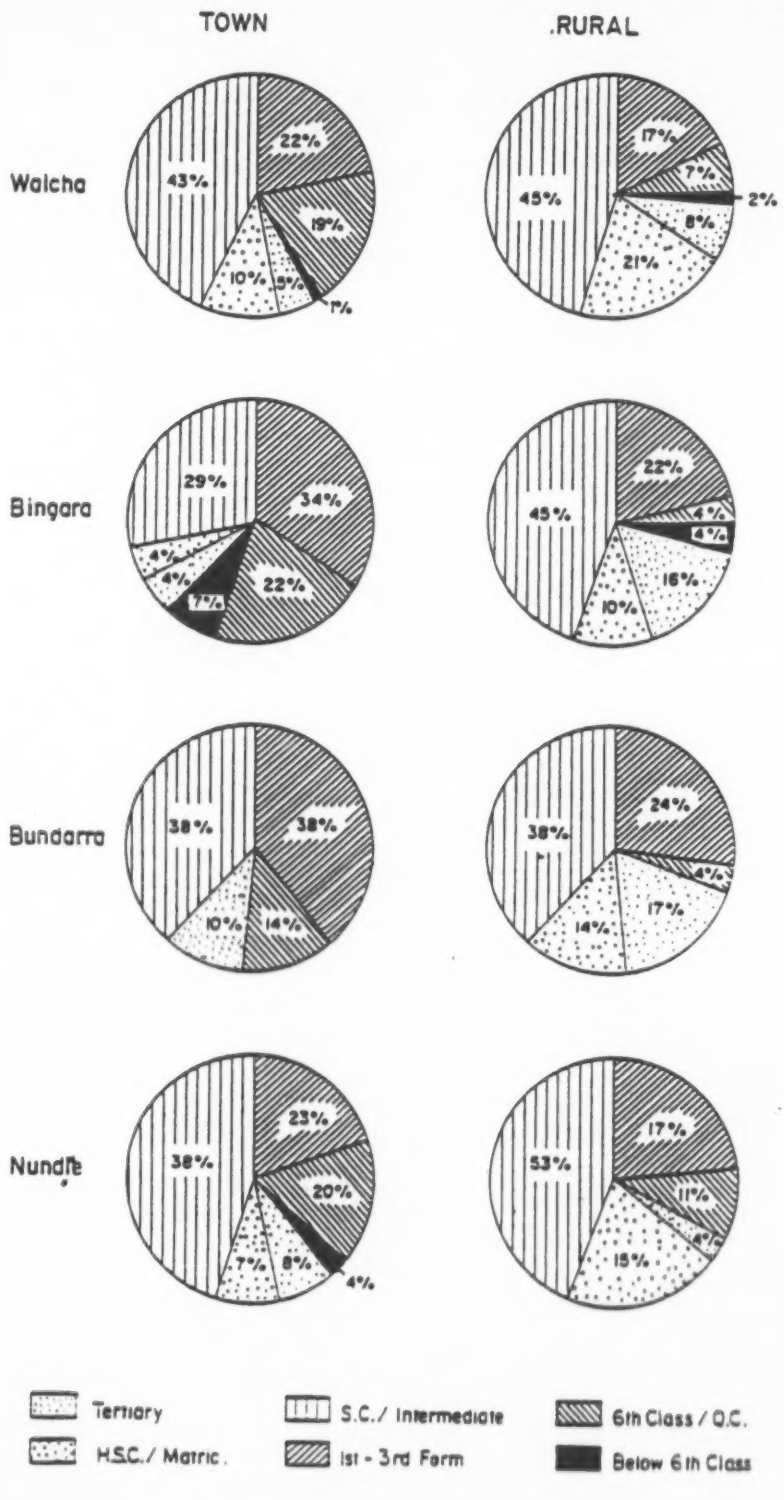
Rural education is one of many services considered of inferior standard to that found in larger centres. This poses the question that in spite of deficiencies, why do long term residents remain in rural locations and why are others settling in non metropolitan locations? When residents are asked how satisfied they are living in their rural communities, they record very high levels of satisfaction (see Table 16).

TABLE 16: LEVEL OF RESIDENTIAL SATISFACTION (%)[b]

TOWN	Very Satisfied	Satisfied	Not satisfied	N	% of sample
Broome	20	70	9	156	98
Exmouth	34	55	11	110	100
Wyndham	41	59	0	59	100
Longreach	35	62	1	89	98
Normanton	13	69	0	43	82
Boulia	24	59	6	48	89

b = Percent of Survey (percentages do not total 100)
N = Number of respondents who expressed an opinion

FIGURE 5: COMPARISON OF TOWN AND RURAL EDUCATION LEVELS



The Rural Life Style

Rural dwellers express particular advantages associated with living in the country. They generally include these advantages under the term 'the rural life style'. There is insufficient recognition of the intangible attributes of the rural life style with a consequent lack of understanding on the part of many urban dwellers, and policy makers, about why people live outside the larger urban areas. Too much attention has been focused on the negative problems of the bush and not enough said about the attractions. This situation arises partly because rural people know themselves what draws them to the rural life style but they do not 'market' the attributes sufficiently. As a result, the benefits associated with living in a rural environment are not given adequate weight in evaluation processes and 'viability' discussion.

The importance of the rural life style is evident in Table 17 where employment factors were of minor relevance compared with the advantages of the rural lifestyle. Respondents referred to the clean air, peace and quiet, relative safety due to low crime rates, lack of congestion and slower pace of life. Other advantages mentioned include living in a small scale human environment where the community is perceived as more friendly and personalised. This compliments the larger scale physical environment of wide open spaces, the beauty of the country and living close to nature. Some of these advantages were referred to separately, and are therefore coded in Table 17 as such. However, all of these characteristics fall under the general heading of the rural life style. In the case of the rural hinterland dwellers, rural life style is also intermixed in the employment advantage, because for those of the land, working with animals and living in the country or outback is part and parcel of the rural life style. In contrast, financial advantages are few but people make trade offs to live in rural areas.

It is difficult to give an economic evaluation of these advantages but there are a whole range of reasons why alternative living environments should be maintained. There is an inherent value in maintaining cultural diversity within Australia. Rural environments have different economic, social and cultural characteristics to urban regions. Just as conservationists stress the need to maintain a diversity of fauna and flora habitats, so should the need to maintain a range of 'habitats' for people be recognised. It is important that people have the opportunity to move from the urban to rural and vice versa as part of an enriching process in one's life cycle. Those who suggest that it is uneconomic to support so many rural towns, not only fail to appreciate that the productiveness of rural regions has to be considered within a regional economic framework which incorporates all of those who live there, but they also fail to understand the value of our rural communities. A quick trip through rural towns in a car gives no insight into just what life is like in rural Australia. Many policies have eminated from superficial judgements based on an inadequate understanding of regional economics and the value of the rural life style.

Conclusion

The thrust of this paper is to argue that viable rural towns are the infrastructure for a sound national economy, a stable regional economy and an attractive rural life style. It is suggested

that policies should aim to develop a hierarchy of rural and remote towns which provide a comparable range of basic services and infrastructure to that found in larger urban areas. This is far from the case.

The future of rural and remote towns will be enhanced if a three pronged approach is adopted. Firstly, governments need to stablise towns and create environments for private investment. This is not done by selecting key locations and bypassing the other towns in the region, or by removing services from the smaller settlements. The evidence shows that this creates an unbalanced development process. Rural areas need a hierarchy of towns for a diversity of working and living environments. The issue of who owns the regional resources and what forms of cross subsidisation occur should be further explored in an effort to obtain a fairer deal for the rural sector.

Secondly, private enterprise requires greater incentives to establish in rural and remote regions. These include tax incentives, the simplifying and cutting of 'red tape' procedures, research and marketing help for value added industries, access to better information about rural regions and access to adequate rural infrastructure and services.

Thirdly, rural community residents need to understand the importance of unifying their interests. Divisions between rural and town interests or along party political lines have served to impede the rural lobbying power for major policy structural changes which will benefit rural regions as a whole. At a localised level, the importance of shopping locally is a first step towards a better town economy.

Long term sustainable development in rural towns will be best achieved by diversification of their economic base. Towns which manage to maintain a sound commercial centre, attract some secondary industry, encourage a moderate level of tourism, obtain government investment and staff, and integrate well with their surrounding regional enterprises, will have a better chance of surviving the cyclical swings of markets and the economy. Policies should be aimed to achieve this end through an integrated approach of public and private investment.

The growth of non metropolitan Australia has occurred in spite of the natural economic advantages of metropolitan regions, inspite of the political weight of the larger centres of population and inspite of the inadequate return of resources to many of the rural and remote regions. This supports the evidence which shows that there are inherent attractions to living in rural Australia. The value of the rural life style is inadequately understood or recognised. In an era of sustainable development, this needs to be broadened to include a range of desirable human living environments in a nation seeking ecological diversity.

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